

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2064 – SB 1971

April 11, 2016

SUMMARY OF ORIGINAL BILL: Requires the Department of Transportation (TDOT) to have jurisdiction over the design, erection, installation, and maintenance of tourist oriented directional signs (TOD signs) on the state highway system including those signs within limits of incorporated municipalities.

Requires the removal of unlawful signs, at the expense of the advertiser, that were installed without authorization. Requires the TDOT to establish a TOD sign permit system and inventory by January 1, 2017. Authorizes the TDOT to contract with other entities to develop, implement, or administer the permit system and to require an annual fee for each TOD sign permit, equal to an amount sufficient to defray the expenses incurred by TDOT in developing, implementing, and administering the permit system and inventory.

Authorizes the TDOT to prescribe by rule in accordance with the Uniform Administrative Procedures Act the method in which TDOT permits are issued. Prohibits installation of any TOD signs until a permit system is developed.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENTS (012988, 014009): Amendment 012988 deletes and rewrites the bill such that the amended bill states that TOD signs refer only to guide signs authorized in the Manual on Uniform Traffic Control Devices for use on rural conventional roads to display business identification and directional information for tourist oriented facilities. Deletes the proposed authorization of the TOD sign permitting system and the proposed authorization of the Commissioner to contract with one or more entities to develop, implement, or administer the permit system. Requires TDOT to remove any signs after 180 days after an order by the Department to remove such signs and then recover any associated costs from the local government who constructed the sign. Requires rules promulgated by TDOT to establish an application process for obtaining a TOD sign. Requires TDOT to maintain a list of TOD signs located within the state rights-of-way and indicate if such signs are located within or outside the corporate limits of a municipality by July 1, 2018.

Amendment 014009 deletes and replaces language of the bill as amended by amendment 012988 to establish that the requirement that all TODS signs be removed after 180 days after TDOT

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requests such removal does not apply to any TODS signs erected or installed prior to the effective date of this Act within the corporate limits of Sevierville.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- According to TDOT, the department's current inventory and permit process meets the requirements of the proposed legislation. As a result, it is assumed this bill as amended codifies the current practice of the department.
- Any change in state expenditures to TDOT to accomplish the requirements of the legislation is estimated to be not significant.
- TDOT will not impose any additional permits or fees; therefore, any change in state permit fee revenue to TDOT is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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